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DE RUEHLP #3075/01 3260011 ZNY CCCCC ZZH P 220011Z NOV 07 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 5721 INFO RUEHAC/AMEMBASSY ASUNCION 7299 RUEHBO/AMEMBASSY BOGOTA 4667 RUEHBR/AMEMBASSY BRASILIA 8575 RUEHBU/AMEMBASSY BUENOS AIRES 5799 RUEHCV/AMEMBASSY CARACAS 3019 RUEHPE/AMEMBASSY LIMA 3219 RUEHMN/AMEMBASSY MONTEVIDEO 5005 RUEHQT/AMEMBASSY QUITO 5654 RUEHSG/AMEMBASSY SANTIAGO 0264 RUMIAAA/USCINCSO MIAMI FL RUEHUB/USINT HAVANA 0687 RHEHNSC/NSC WASHINGTON DC RHMFISS/HQ USSOUTHCOM MIAMI FL

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SUBJECT: PROTESTS TESTING BOLIVIA'S BOILING POINT

Classified By: Acting EcoPol Chief Timothy Joe Relk for reasons 1.4 (b) and (d)

11. (C) Summary: Protests and counter-protests threaten to dominate Bolivia for at least the coming week. Although the Bolivian government said it asked pro-government farmers surrounding the headquarters of the Constituent Assembly to back off, they remain mobilized in the city, as do opposition student and civic group demonstrators. Sucre protests turned violent November 20 and at least one farmer and one student were hospitalized. The protests successfully blocked the Constituent Assembly from reconvening yet again today. Meanwhile, protesters lined the streets around the Bolivian Congress today in La Paz, following through on President Morales' promises to confront the Senate over its alleged failure to pass his legislative agenda. Another Senate demonstration is scheduled for November 26. Opposition leaders have also planned demonstrations in five of Bolivia's nine departments to protest the use of local government funds to finance Morales' "Plan Dignity," which would provide additional support to the Bolivian elderly. An alternate congressman aligned with the opposition told PolOff November 21 that the Senate would unveil its version of Plan Dignity the morning of November 22 to ensure funding does not come from department (state) budgets and defuse future anti-Senate protests. End Summary.

Sucre Simmers, But Does Not Boil Over, Yet

12. (U) Sporadic clashes broke out in Sucre on November 20 between groups who support and oppose the returning of the executive and legislative branches to Sucre. Both groups claim to be keeping a "vigil" around the site of the Constituent Assembly. According to news reports and Embassy contacts, a relatively small group (estimates of 300 or less) of pro-MAS "campesinos" (peasant farmers) mostly from Oruro and Potosi departments (states) surrounded the Assembly's headquarters to protest the restoration of Sucre to full capital status early in the morning. A larger group of pro-Sucre supporters confronted the campesinos to pressure them to leave the headquarters. According to media reports, fighting broke out after some pro-Sucre demonstrators began shouting epithets, calling the campesinos "llamas" and "Chavez's monkeys," (referring to Venezuelan President Hugo Chavez).

- ¶3. (U) Two Embassy contacts in Sucre played down the clashes, stating that they were relatively minor. However, several people were injured with at least two requiring hospital care one student from the pro-Sucre side and one campesino. Pro-MAS campesino groups also attempted to block the roads to cut off Sucre's food and water. Their efforts were at best only partially successful. When a reporter questioned the strategy, as it would also cut water supplies for campesino crops, campesino leader Juan Pijcha argued this was collateral damage campesinos were prepared to accept. "In the war we must lose something."
- ¶4. (U) Tensions remain high between the two groups and a renewal of clashes appears imminent, although on November 21 there were only minor altercations. Government spokesperson Alex Contreras said the government asked campesinos to back off from Assembly headquarters to avoid further conflict, but critics of the campesino protesters argue the government is providing them with food and money to continue their protests. Sources say only a few campesinos had left Sucre at the time the Assembly was scheduled to reconvene on November 21. Due to pressure by both the pro- and anti-Sucre groups, the Assembly once again failed to meet on November ¶21.

Thousands Protest Senate Meddling in Evo's Legislation

 $\underline{\mathbf{1}}$ 5. (U) President Morales appears to be following through on a November 12 threat to confront the Bolivian Senate for holding up his legislative agency. An estimated 10,000 Morales supporters from La Paz's neighboring city of El Alto marched on the Senate today (November 21), burning effigies of opposition leaders and trying to break into the Congress building. The Altenos, organized by labor and civic groups, are also demanding the Senate change the legal requirement requiring the Constitutional Assembly be held Sucre. Ruling MAS party leaders accuse Sucre groups of holding the Assembly hostage to the capital issue and want the ability to move the Assembly to the Morales stronghold of Oruro. The MAS predicts it can mobilized 21,000 protesters to march on the Senate November 26, mainly small farmers campesinos from La Paz and Oruro departments (states). Coca farmers from the Yungas area of La Paz Department claim they will bring 20,000 protesters alone. Morales also threatened to stop executive cooperation with the Senate by November 26, such as responding to Senate requests for testimony or reports from government ministries.

Plan Dignity Fallout Sets Stage for Conflict

16. (U) Morales is especially keen to pressure the Senate into passing "Plan Dignity," which has already passed the Lower House of Congress. Opposition leaders in the Senate have indicated they are inclined to approve the plan, which extends both the amount and age limit for government payments to the elderly. However, they want funding to come from federal coffers, not from the current draft's redistribution of Bolivia's hydrocarbon tax from department budgets. Opposition department prefects (governors) and civic groups from five of Bolivia's nine states met November 17-19 and outlined "gradual" and "democratic" measures to protest the proposed budget changes with demonstrations, hunger strikes, and civil disobedience. The group also published a declaration titled "Patience Has a Limit," which supports Sucre's demand to resolve the capital issue at the Constituent Assembly, includes a new set of regulations supporting autonomy of opposition-controlled states should the Assembly fail to pass a new constitution, and announced lawsuits against the government to protect their claim to the hydrocarbons tax. Santa Cruz leaders announced demonstrations starting November 22.

Morales Interviews Self: Finds Opposition "Seditious"

17. (U) President Morales responded to the opposition protests of funding cuts with the following monologue: "Some prefects talk about civil disobedience. What is this? This is sedition." The next day, Government Spokesman Alex Contreras accused opposition prefects and civic groups of sedition and conspiracy for publishing the declaration, which he alleged is tantamount to an alternate constitution. He asserted the government was coordinating with "social movements" to react to the proposed opposition protests, in addition to legal challenges to the declaration. Vice Minister of Justice Wilfredo Chavez added on, claiming "we are not going to tolerate this sedition."

Senate President: "Without Congress There is no Democracy"

18. (U) Senate President Jose Villavicencio (UN Party) said November 21 that the Senate would not approve laws "under pressure" from demonstrators. He said the Senate would refuse to convene if Morales surrounds Congress with protesters, effectively blaming Morales for stopping Bolivian democracy. "Without Congress there is no democracy." Other opposition senators suggested the Senate simply meet elsewhere, but MAS Senator Lino Willca argued this would conflict with Senate rules. The Santa Cruz Civic Committee issued a statement late November 21 calling for the government to stop threatening the Congress, respect the law, and return to dialogue.

Senate Promotes Its Own Dignity; Moonlights on Constitution

- 19. (C) Alternate Congressman Franklin Lavayen (opposition PODEMOS Party, lower house) told PolOff November 21 that opposition senators informed him the Senate would not meet during the El Alto protest. Instead, opposition senators plan to meet later November 21 to put the final touches on a draft of Plan Dignity to be voted on during the morning of November 22. The opposition version would be funded from federal coffers, not from department shares of the hydrocarbon tax, and would defuse future anti-Senate protests, according to Lavayen.
- ¶10. (C) Lavayen discounted recent protests as posturing. He assured that behind the hyperbolic public statements, most Congressmen get along. "Everyone talks about the tension, but that is only for show." Lavayen said Congress was already de-facto working on a new constitution, with little input from Assembly leaders, to include a "big compromise" among legislators regarding the capital issue, autonomy of departments, and presidential re-election. He said violence would not erupt in earnest until the "main event," the December 14 deadline for the Assembly to draft a new constitution. Then, he feared, violence could get out of hand as both government and opposition leaders overestimate their ability to control protesters, which is exactly "what extremists on both sides want."
- 111. (C) Comment: The Senate President is not playing along with Evo. Threatening to boycott his own institution if Morales continues to surround it with protesters and thus casting Morales as the terminator of (institutional) democracy is risky. How this resonates with the Bolivian people will depend on Morales' ability to caste the Senate as opponents to the will of the people, embodied in Evo himself. End Comment.

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